



U.S. Department of Justice

United States Attorney  
Southern District of New York

86 Chambers Street  
New York, New York 10007

January 24, 2017

**BY ECF AND FACSIMILE**

Hon. John G. Koeltl  
United States District Judge  
United States Courthouse  
500 Pearl Street, Room 1030  
New York, NY 10007-1581  
Fax: (212) 805-7912

APPLICATION GRANTED  
SO ORDERED

  
John G. Koeltl, U.S.D.J.

1/26/17

Re: *United States v. Narco Freedom, Inc., et al.*, 12 Civ. 3674 (JGK)

Dear Judge Koeltl:

We write respectfully on behalf of plaintiff the United States of America (the "United States") in accordance with the order of the Court dated January 11, 2017 (the "January 11 Order"), which directed the United States to provide a status report no later than today.

Since we last communicated the status of this matter to the Court at the January 10, 2017 conference, we have continued to engage with a number of the defendants regarding settlement. We anticipate that, in the very near future, we will have finalized the terms of a resolution with Narco Freedom, Inc., Joining Hands Management Incorporated, and Deborah Haigler, pending final authorization from the U.S. Department of Justice. We also are engaged in productive settlement discussions with the remaining defendants that are active in the case. In light of these discussions, we respectfully ask that the stay of this matter remain in place for 30 days, until February 23, 2017, at which time the United States will provide another status report. We also ask that the Court's prior directive to defendant Gerald Bethea (as to whom this matter has been stayed since July 20, 2016) to update the Court no later than February 17, 2017, regarding the status of the criminal action currently pending against him in New York State Court, remain in effect notwithstanding the stay of this matter. The United States will respond to Mr. Bethea's status update as necessary in its February 23, 2017 status report.

We thank the Court for its attention this matter and consideration of these requests.

USDC SDNY  
DOCUMENT  
ELECTRONICALLY FILED  
DOC#  
DATE FILED: 1-26-17

Hon. John G. Koeltl  
January 24, 2017

Page 2

Respectfully submitted,

PREET BHARARA  
United States Attorney for the  
Southern District of New York

By: s/Cristine Irvin Phillips  
CRISTINE I. PHILLIPS  
KIRTI V. REDDY  
Assistant United States Attorneys  
86 Chambers Street  
New York, New York 10007  
Tel.: (212) 637-2696/2751  
Fax: (212) 637-2702  
Cristine.Phillips@usdoj.gov  
Kirti.Reddy@usdoj.gov